

North Carolina Department of Administration

Beverly Eaves Perdue, Governor

Moses Carey, Secretary

March 31, 2012

To: Chairs, Joint Legislative Commission on Governmental Operations
Mark Bondo, Fiscal Research Division

From: Speros Fleggas, Senior Deputy Secretary
Department of Administration

Re: Report on S.L.2011-145, Section 6.15

This report covers the activities of the Department of Administration, as required per S.L.2011-145, Section 6.15 (a-d). The Department has taken the actions requested to effectuate the sale of state-owned land assets in accordance with Section 2.2(a) of this S.L 2011-145. The report is submitted to comply with subsection (d) which requires a report on land asset sales made pursuant to this section by March 31, 2012.

Please contact my office with any questions at 919-807-2425.

Attachment

cc: Secretary Moses Carey
Anne Bander, Chief Operating Officer
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Report on S.L.2011-145, Section 6.15
March 31, 2012

Pursuant to Session Law 2011-145, the State Property Office of the Department of Administration developed a system to assist our office, in consultation with the respective agencies and institutions, to determine the utilization of real property allocated to each one. Each agency and institution received a package that included maps and a building asset list for each property allocated to them, as well as necessary instructions and forms for feedback. The deadline for responses was September 15, 2011. Each agency and institution's response was reviewed complex by complex.

At the conclusion of the review, State Property Office staff met with the appropriate person at each agency and institution to better understand their programmatic requirements and to convey what the State Property Office perceived from a real estate perspective. Items included in the meeting discussion included review of the current purpose of the asset and the future needs to perform the service intended at the location. Additionally, the 2007 State Master Plan guided conversations related to real property allocated to state agencies in Wake County.

In consultation with the agencies and institutions, a determination was made if a property is unused, underused or critical for their core mission. This process was detailed in a presentation to the House Select Committee on State Assets on September 22, 2011. Potentially unused or underused state-owned properties were provided at the House Select Committee on State Assets on December 12, 2011. The State Property Office proceeded to research deeds and the source of funds used to acquire those specific properties to determine if deed or funding restriction prohibited disposition, if that was determined to be the appropriate course of action.

Properties available for sale were discussed with the House Select Committee on State Assets on March 15, 2012. The properties, identified for sale as a result of this ongoing review and prior assessment, as of this report's date, are:

- ±95 acres located on Cary Towne Boulevard at I-40, Cary, Wake County
This site was made available in February 2012
- ±13.78 acres located at 1 Station Road, Wilmington, New Hanover County
Available since 2006
- ±3.98 acres located at 801 East Highland Avenue, Kinston, Lenoir County
Available since 2010

For further information regarding these properties, please visit the State Property Office website at www.ncspo.com.

The Department of Administration has taken the above actions requested to effectuate the sale of state-owned real property assets in accordance with Section 2.2(a) of this S.L 2011-145. No asset sales of real property pursuant to Section 6.15 (d) have been finalized as of March 31, 2012.